

OVERVIEW AND SCRUTINY COMMITTEE

Minutes of the proceedings at a meeting of the Overview and Scrutiny Committee held in the District Council Chamber, South Lakeland House, Kendal, on Friday, 11 January 2019, at 1.00 p.m.

Present

Councillors

Vicky Hughes (Chairman)
Doug Rathbone (Vice-Chairman)

Pat Bell
Anne Hall

Hazel Hodgson
Anne Hutton

Vivienne Rees
Mark Wilson

Apologies for absence were received from Councillors Brian Cooper, Janette Jenkinson and Ian Mitchell.

Officers

Courage Aiguobasimwim	Trainee Solicitor
Simon Blyth	Principal Partnerships and Communities Officer
Inge Booth	Senior Committee Services Officer
Laura Chapman	Corporate Support Officer
Lawrence Conway	Chief Executive
Dan Hudson	Development Strategy and Housing Manager
Lee Hurst	Chief Accountant
Anthea Lowe	Solicitor to the Council
Shelagh McGregor	Assistant Director Resources (Section 151 Officer)
Simon McVey	Assistant Director Performance and Innovation
Paul Mountford	Principal Performance and Intelligence Officer
Daniel Perruzza	Communications Officer
Claire Read	Financial Services Officer
Simon Rowley	Assistant Director Neighbourhood Services
Helen Smith	Financial Services Manager
Debbie Storr	Director of Policy and Resources (Monitoring Officer)
David Sykes	Director People and Places

Also in attendance were Councillors Giles Archibald (Leader and Promoting South Lakeland Portfolio Holder), Jonathan Brook (Deputy Leader and Housing, People and Innovation Portfolio Holder), Philip Dixon (Health and Wellbeing Portfolio Holder), Andrew Jarvis (Finance Portfolio Holder), Dyan Jones (Environment Portfolio Holder) and Graham Vincent (Economy and Assets Portfolio Holder).

O&S/39**MINUTES**

RESOLVED – That the Chairman be authorised to sign, as a correct record, the minutes of the meeting of the Committee held on 26 October 2018.

O&S/40 DECLARATIONS OF INTEREST

RESOLVED – That it be noted that no declarations of interest were raised.

O&S/41 DECLARATION OF THE PARTY WHIP

RESOLVED – That it be noted that no declarations of the party whip were raised.

O&S/42 LOCAL GOVERNMENT ACT 1972 - EXCLUDED ITEMS

RESOLVED – That it be noted that there are no excluded items on the Agenda.

O&S/43 PUBLIC PARTICIPATION

RESOLVED – That it be noted that no questions, representations, deputations or petitions have been received in respect of this meeting.

O&S/44 NORTHERN RAIL SERVICES

The Chairman welcomed Chris Jackson, Craig Harrop and Martin Keating, representatives of Northern Rail.

Chris Jackson, the new Regional Director, introduced himself to the Committee. He looked after the west region, was a local, and was aware of the importance of the successful running of the railway for the local economy.

Craig Harrop, Stakeholder Manager, who had last spoken to the Overview and Scrutiny Committee in August 2018, then addressed Members.

He explained that the Office of Rail and Road Glaister Report had found that all rail industry partners had made mistakes causing the collapse of the May 2018 timetable, worsened by Network Rail wrongly believing that it could make up the time. The industry had not focussed on its passengers, but on planning and engineering concerns. In addition, the System Operator, who had been in the best position to understand and manage the risks, had not taken sufficient action. Neither Govia Thameslink Railway nor Northern Rail had been properly aware or prepared for the problems in delivering the new timetable and had not done enough to provide information to passengers when disruption occurred.

Mr Harrop next explained the changes to timetable and operations which had occurred since August 2018.

The Lakes Line had been withdrawn and reintroduced in July 2018. An interim timetable had been introduced to reduce last minute cancellations, to provide stability and to allow for outstanding driver training. Train service delivery had now stabilised and was more resilient on both the Lakes and Furness Lines. The majority of services had been re-introduced in September 2018 with little or no adverse impact and, since December 2018, all Northern services had been reintroduced and were being delivered robustly.

Performance on local routes has continued to improve since the Committee's meeting in August, with the Lakes Line PPM (public performance measure) tracking at 90% consistently - the previous day's performance on the route had been 100%. The Furness Line PPM had also seen a steady improvement, with significant incidents and cancellations that had been averaging around 70-80, falling to around 20 in each four

week period. PPM has seen a 20% improvement and was now averaging 80%. This route interworked with other routes into Manchester which had imported more delay over autumn. Autumn weather and adhesion, i.e. fallen leaves on tracks, had also impacted on all routes during November, but had since recovered.

Current performance focus included greater resilience, working closely with Network Rail on infrastructure issues and full winter preparedness through point heaters and unit availability. Proposed changes to service recovery on the Lakes Line would mean services continuing along the line to terminate at Kendal rather than Oxenholme when there was significant late running as a result of operational issues.

Mr Jackson provided the Committee with an overview of the RMT (Rail, Maritime and Transport Union) Strike Action which would see its 43rd action on the following day. The latest development was that Transport for the North and the Department of Transport had guaranteed a second person on trains and hoped to engage the RMT in talks. It was felt that this should satisfy issues around revenue collection, accessibility and security. Northern Rail had made a request for ACAS to establish an independent inquiry (214) to unlock progress in resolving the RMT dispute. Following the call for an inquiry, Northern had received support from business leaders, passenger groups and key stakeholders across the North, who all wanted the damaging dispute to end. The ACAS 214 inquiry would appoint an independent chairperson and would look at the future role of the second person on the train across the Northern network and then explore the feasibility of Driver Controlled Only, where the driver had full operational control of the train, including the train doors. At the end of the inquiry, ACAS would publish a report with their conclusions for Northern and RMT to consider. The RMT had been invited to join but there had been no response from the Union at this time.

Mr Jackson drew attention to the fact that managers were working six days a week in order to fulfil the timetable and that he had made a personal commitment to work as an emergency conductor during the strike.

Mr Harrop provided details with regard to timetable improvements and new trains.

Timetable improvements were to be delivered in May 2019, better connecting the region to Manchester Airport, with 11 direct services per day (seven from Barrow and four from Windermere). Oxenholme connections would be maintained and the frequency of stops at Burneside and Staveley increased.

Class 195 DMUs (diesel multiple units) were to be provided on both the Lakes and Furness Lines. These were currently being tested and appropriate training had commenced.

Mr Harrop informed the Committee that, over the next six months, Northern Rail would fully evaluate the impact of the new timetable across the entire region, with Network Rail being challenged on their possession planning and infrastructure work - engineering work was currently carried out within holiday periods but this did not make sense in a tourist destination.

Questions were raised as to how Northern Rail planned to re-convince people to rely on trains again and to renew their confidence in the company, as well as to bring people back to South Lakeland by train through appropriate marketing. In response, Mr Jackson reiterated the fact that new trains were to be provided which people needed to be able to experience, and he extended an invitation to Members of the Overview and Scrutiny Committee to see them. The trains were fully accessible and had a large amount of luggage space. In addition, details on improved performance would be published.

Mr Harrop provided an update on the upcoming marketing campaign for both the leisure and commuter markets. The plan would be shared in due course, following its finalisation with both Cumbria County Council, Cumbria Tourism and the Community Rail Partnership, and was expected to launch in February. Mr Harrop was asked to provide details to the Committee once available. A suggestion was raised for the inclusion of marketing details within South Lakes News.

Mr Jackson and Mr Harrop responded to a number of other queries. They provided details in relation to the luggage space within the Class 195 DMU trains. The overhead luggage space was low enough to fit airline size wheeled cases and all seats were cantilevered, so allowing a full size piece of luggage to fit between chairs. Class 769/Bi Mode trains would not be introduced on the Lakes Line. With regard to the possibility of a branch passing point on the Lakes Line, Members were advised that Northern Rail had funded a £25,000 feasibility study with a view to ultimately delivering 30 minute frequency services. Proposals for the electrification of the line had been withdrawn by the Secretary of State for Transport. The route did need better access and capacity, and Northern Rail was working with Cumbria County Council and the Local Enterprise Partnership in reviewing options for the route and infrastructure. Strong concern was expressed with regard to the need for passengers to be able to book and bring bicycles on trains, and it was explained that the new trains had an electronic reservation system, with a minimum two bicycles per train being guaranteed, free of charge. It was hoped that improvements could be made with regard to this issue and Mr Harrop undertook to investigate further, although drawing attention to the need to strike a balance with luggage requirements, wheelchairs, prams, etc.

Mr Jackson informed Members about compensation and station improvements.

Delay Repay 15, a new compensation to rebuild confidence and trust, had been launched at end of December 2018. In excess of seven figures had been paid out in compensation and the company was authentic in its commitment to the system.

The company had also committed to invest a significant amount of money to improve station environment through, for example, new shelters; LED lighting; ticket vending machines (TVMs); CCTV; and customer information screens. A TVM was due to be installed at Staveley by the end of January.

Martin Keating, Community and Sustainability Manager, provided an update on community rail in Cumbria. He reported that Northern Rail was working with diverse groups in promoting community rail, including schools and charities such as The Well in Barrow. Northern Rail held regular liaison meetings and workshops with Cumbrian Rail User groups including the Lakes Line Rail User Group.

Mr Jackson summarised, stressing that improvements were being made and acknowledging the need to rebuild the confidence of rail users in South Lakeland. The company looked forward to working with the Council on the marketing campaign. This was an exciting time with the introduction of the new trains in Cumbria. Mr Jackson urged Members to take up the opportunity to engage with and inform the ACAS 214 inquiry (section 214 of the Trade Union and Labour Relations (Consolidation) Act 20092, which would be the way forward in trying to reach a breakthrough and stop the damaging RMT strike action.

A number of further queries were raised. It had been noted that Northern Rail had been advised that guards could be kept on board trains and it was questioned what the ACAS talks hoped to achieve. Mr Jackson explained, however, that the guarantee had been for a second person on board for security and customer services purposes, but that the

discussions would include what the detailed role of that person was. In response to concerns about the lack of disabled access to Staveley station, Mr Jackson informed Members that this issue was being examined with Cumbria County Council and the Local Enterprise Partnership as part of the overall route strategy. Evaluation work had first to be carried out but it was hoped that this could be resolved in the near future. Mr Harrop advised that the possibility of moving the station was being looked at, amongst other options, and that Northern Rail would welcome any means of improving this station. Mr Harrop also clarified that the figure of 11 direct services per day starting in May from Barrow and Windermere were for return trips, i.e. four return trips from Windermere and seven from Barrow.

RESOLVED – That the verbal business update from representatives of Northern Rail be noted.

Note – The Committee adjourned for a break at 2.00 p.m. and reconvened at 2.15 p.m.

O&S/45 WORK PROGRAMME AND FORWARD PLAN

The Solicitor to the Council presented a report including the Forward Plan published on 21 December 2018 and an up-to-date copy of the Overview and Scrutiny Committee's 2018/19 Work Programme, which included a number of amendments made since the last meeting. She drew attention to fact that, since updating the Programme, she had been advised that the Homelessness Strategy 2019-2024 included for consideration at the 1 February 2019 meeting of the Committee would be delayed and be included instead on the agenda for the 26 April meeting.

The Solicitor to the Council further reported that arrangements were due to commence for the Task and Finish Group for the development of locality working through Customer Connect. Due to the significant nature of the topic, seven Members would be sought to form the group, in order to ensure membership from across the district, as well as gender and political balance. A request for expressions of interest would shortly be sent out to all Members.

A suggestion was raised for the formation of a task and finish group to examine rail issues, with Northern Rail being invited to provide further information, including details on station improvements. The Solicitor to the Council explained that the Chairman of the Committee had, following the presentation by representatives from Northern Rail earlier in the meeting, asked the representatives if they would be willing to return to speak to the Committee again, if necessary. She also informed Members that consideration could be given to setting up a task and finish group on the topic at the April meeting of the Overview and Scrutiny Committee when the 2019/20 Work Programme would be set.

Attention was drawn to the fact that the Health and Wellbeing Portfolio Holder was due to present his report to the Overview and Scrutiny Committee on 26 April and to a request which had been made by a member of the public when the Committee had considered its 2018/19 Work Programme for a review of air quality within the district. It was suggested that the individual who had submitted this proposal might be invited to attend the meeting on 26 April. The Solicitor to the Council explained that the Committee had considered this particular suggestion in April 2018 when setting the 2018/19 Work Programme and that it had been felt at the time to be more effective to include the topic within the task and finish group which was to carry out a strategic review of the Council's health and wellbeing priority. She also clarified that the area of air quality fell within the remit of both the Environment and the Health and Wellbeing Portfolios.

RESOLVED – That

- (1) the Forward Plan published on 21 December 2019 be received; and
- (2) the Overview and Scrutiny Committee's current Work Programme, including the amendment raised at the meeting, be noted.

O&S/46

DRAFT COUNCIL PLAN AND DRAFT COUNCIL POLICY ON CLIMATE CHANGE

The Council Plan set out the Council's vision and priorities and formed part of a suite of corporate documents and linked closely with the Medium Term Financial Plan. These documents formed part of the Council's Policy Framework and underpinned the Council's approach to governance and community leadership. The current Council Plan was for the period 2014 to 2019, and had been updated on an annual basis since 2014.

Councillor Jonathan Brook, Deputy Leader and Housing, People and Innovation Portfolio Holder, presented a new draft Plan which was intended to run from 2019 to 2024. In developing the Plan, the vision had been revised to add the words "working together" to reflect that the Council could not achieve its ambition alone, and that it worked with partners to deliver on its vision and ambitions.

The vision, as stated in the draft Council Plan, was, "Working together to make South Lakeland the best place to live, work and explore." To achieve the vision, the Council's areas of focus were:-

- creating an environment for people to thrive;
- delivering excellent value-for-money, services;
- playing a leading role and influencing others;
- empowering customers and communities; and
- forward thinking, innovative Council.

As with previous versions, the Council Plan retained the following values:-

- Empowering People - By listening to our customers and our employees their ideas and comments will help us make improvements to customer service and workforce development.
- Excellence - Seeking continuous improvement in what we do, ensuring that our actions address the needs of South Lakeland.
- Open and Transparent - Being courteous, efficient and transparent in our dealings with the public.

The Council Plan set out the challenges and opportunities that the district faced in the short, medium and long term. These were described in detail in Appendix 3 to the report. In brief, the challenges and opportunities were:-

- South Lakeland's demography;
- financial resilience;
- affordable housing;
- sustainability;
- rise in obesity levels and inactivity;
- access to better training and development; and
- education and skills.

In order to meet the challenges and maximise opportunities, the Council Plan set out the delivery of the vision by:-

- working across boundaries to deliver to communities that,
- creates the right balance across different age groups that,
- reduces inequalities so that no one is left behind that,
- creates a sustainable and inclusive economy.

In addition to the Council Plan, an Executive Summary, detailed at Appendix 4 to the report, had been developed. This document stated the high level priorities across the cross-cutting themes to deliver the overall strategic aims of the Council.

Developing a sustainable and inclusive economy was a key element of the new Council Plan. This reflected growing awareness of the importance of Climate Change and the Council's role in tackling it. A draft policy, as detailed at Appendix 5 to the report, represented a public recognition of the importance of Climate Change, an awareness of the opportunities offered by both tackling and adapting to meet the challenge of climate change and a series of ways in which the Council could reflect the importance of climate change both in how it managed itself and how it worked with partners at local, regional and national level.

The Principal Performance and Intelligence Officer reiterated the importance of the emphasis of "working together" and explained how the Overview and Scrutiny Committee would continue to be involved in monitoring performance against the Council Plan.

Members discussed the draft Council Plan and draft Council Policy on Climate Change at length.

The Principal Performance and Intelligence Officer, in response to a query on the Equality Action Plan, explained that AWAZ Cumbria was an equal opportunities group which represented black and minority ethnic people and communities in Cumbria, with whom the Council had consulted. The statistics contained within the Plan were based at district level, however, he advised that it would be possible for officers to examine the Joint Strategic Needs Assessment and to try to provide more localised details.

A comment was raised with regard to the need for the inclusion of information on what the Council would do to achieve its commitments, for example, on how it would ensure that new development was flood resilient, particularly in view of climate change. The Development Strategy and Housing Manager informed Members that there were new development management policies coming forward to Council in the near future which would strengthen the Council's hand in this area - the Council Plan was a strategy so did not include the finer detail. Councillor Brook stressed that the idea behind the Plan was to keep it simple which was why it not include a lot of detail. He suggested, however, that it could be strengthened with the inclusion of links to where additional information on each subject was available, and undertook to look into this. The Council Plan had historically been a paper document but the organisation was looking towards digitisation and ease of linkage as part of the delivery of Council documents.

Councillor Vincent, Economy and Assets Portfolio Holder, responded to concerns relating to the decreasing numbers of young people living in South Lakeland. He explained that the Council Plan included measures that would, in time, allow the Council to carry out research in the area of attracting young people to the district. He drew attention to the fact that embedded within the Plan were means by which to promote the provision of jobs, homes, schools, health provision, etc., and that the finer details would be embodied within

the relevant actions plans. Councillor Vincent also highlighted the fact that the Council was working closely with colleges and universities, for example Lancaster, whose courses applied to the Council Plan, such as business engineering, renewable energy and environmental science. It was raised that not all young people were graduates and that apprenticeships needed to be encouraged, but that this was not mentioned in the section on creating opportunities for young people. Councillor Vincent drew attention to the fact that the Council was working on this with Kendal College and a school provider in Barrow. He informed Members that the Council's Business Support Programme included actions around encouraging apprenticeships and that local industries were being asked to advise the Council on what types of skills were required. Councillor Brook acknowledged the point made and undertook to include an additional bullet point regarding apprenticeships.

Reference was made to the Council's aspiration of improving the wellbeing of residents and the need to address the crisis around those people living in isolation who required public transport, especially buses. It was felt that the Council could assist through encouraging and influencing community interest groups to form co-operatives to provide transport services. Councillor Brook acknowledged that this could be looked into. Councillor Philip Dixon, Health and Wellbeing Portfolio Holder, undertook to raise this suggestion at the next meeting of the Building Financial Resilience group.

In response to strong concerns raised with regard to inequalities experienced by those living in rural areas which, it was felt, required addressing, for example transport and provision of health services, and, in particular, the aging population within rural areas, Councillor Brook indicated that he would be willing to strengthen aspects within the Plan relating to these issues. He stressed, however, the need to recognise the limit of the Council's actions where other organisations or tiers of local government were responsible.

In closing, Councillor Brook informed the Overview and Scrutiny Committee that, when the document reached its final stage, he would be able to draw attention to those comments taken on board.

RESOLVED – That, subject to consideration of the comments raised, Cabinet be recommended to endorse, for recommendation to Council, the following:-

- (1) the draft Council Plan; and
- (2) the draft Council Policy on Climate Change.

O&S/47 2019/20 TO 2023/24 DRAFT BUDGET

Councillor Andrew Jarvis, Finance Portfolio Holder introduced the 2019/20 Five Year Draft Budget. The first draft budget had been considered by Council on 18 December 2018 and the report considered at that meeting was attached as Appendix A to the substantive report. The remainder of the substantive report provided an update on significant changes since the first draft budget had been prepared.

The Government had published the provisional Local Government Finance Settlement on 13 December 2018. It would be subject to consultation until 10 January 2019 and the final settlement for each authority was usually published soon after the conclusion of the consultation period. The majority of the settlement was in line with the four-year settlement the Council accepted in 2016/17 and which was already reflected in the draft 2019/20 – 2023/24 budgets attached to the report. Details of the main changes in the provisional settlement were provided.

The Council Tax referendum thresholds remained at the levels set for 2018/19 for district councils, with the maximum increase of the higher of below 3% or £5. For this Council, this could potentially raise the maximum increase in Band D Council Tax from the £5 that as included in the draft budget to £5.72, which would generate an additional £32,800 of income from Council Tax. There were no limits on increases for parish councils, but the Government expected parishes to take all available steps to mitigate the need for Council Tax increases.

As expected, the Government had chosen not to reduce local authority funding through reductions in business rate retention, a reduction which had been known as negative Revenue Support Grant. Under the original four-year settlement, the Council had expected a reduction in funding of £613,000 for 2019/20. This decision by the Government had been widely expected and had already been reflected in the draft budget proposals considered by Council on 18 December 2018.

Rural Services Delivery Grant was due to be frozen nationally for 2019/20, but the provisional settlement had increased the national funding from £65m to £81m. This Council's share of the grant would increase from £347,900 to £433,500. This was an extra £85,600 for 2019/20 only.

The Cumbrian authorities had not been successful in the bid to become a business rate pool pilot. The draft budgets for 2019/20 to 2023/24 did not anticipate any additional income from the potential pilot pool. The existing Cumbrian pool was expected to continue for 2019/20.

The settlement also included some unexpected funding from the business rate levy account surplus. The Government collected a levy of up to 50% from authorities who collected more business rates than their baseline. This levy was used to fund a safety net for authorities who fell well below their baseline. This was the first time the levy had exceed the safety net, and the Government had £180m to distribute nationally. The Council's share was £34,000.

Finally, the Government had confirmed the threshold for payment of New Homes Bonus would remain at 0.4% of taxbase for 2019/20. For this Council, this required a net increase in Band D equivalent properties on the Council Tax list of 211. The actual increase was only 132 properties, so the level of New Homes Bonus due to the Council would be £141,000 lower than budgeted at £516,700.

The final finance settlement, including the impact of any adjustments to business rates multiplier and tariff, would be reflected in the final budget proposals to be presented to Council on 26 February 2019.

The Government had already announced changes to the business rates funding system for 2020. The 50% central share of business rates retained by the Government would be reduced and the levy would be abolished but the system of tariffs, top-ups and safety nets would continue. As the proposals were to be fiscally neutral, it was expected that other grants would be cut or local government would be given additional duties to offset the additional income from business rates. These developments would be monitored and fed into the Medium Term Financial Plan as the details were clarified.

The current budgets were based on the existing staff establishment in December 2018 and known changes to fixed term posts. The Customer Connect Programme was expected to materially change the establishment and, therefore, the staffing budgets. Currently, a lump-sum was shown in the budgets for 2019/20 and subsequent years. During early 2019, it would be necessary to revise the staffing budgets to reflect the Customer Connect Phase 1 staffing changes, with further changes as part of the 2020/21 budget process to reflect Phase 2 staffing changes.

The Medium Term Financial Plan would be updated during summer 2019 and the updated Plan would be reported to Cabinet and Council: it was expected that this would be during July 2019 and would include the Budget Strategy for 2020/21 – 2024/25.

Councillor Jarvis thanked officers for their work on the report which demonstrated that the Council was in robust financial health. The final draft Budget Report would incorporate the consideration of internal and external consultation and would be presented to the 6 February 2019 Cabinet meeting and the 26 February 2019 Council meeting for ultimate approval.

The Director People and Places provided clarification with regard to a query relating to Castle Dairy and the potential cost implications of the forthcoming closure of the venture. He explained that the Council leased the building to Kendal College and that the College had chosen to operate a restaurant on the site. The College would, however, retain the leasehold and give consideration to its future use. There were no cost implications for the Council.

Councillor Jarvis responded to a number of queries. He provided an explanation regarding Disabled Facilities Grant (DFG) funding for which there was a statutory duty for the Council to provide the necessary funding to meet demand. There had been an unprecedented demand in the first two quarters of 2018/19 due to a change in the levels of funding and it was expected that there would be insufficient funds available for the whole financial year. The proposals in the draft budget would ensure that there was no exposure to risk moving forward.

Councillor Jarvis acknowledged that the Council was currently in a financially robust position, nevertheless, explained that, although interest rates were low, there was a cost in borrowing which should be avoided if not required. He pointed out, however, that there may be a need to borrow in the future in relation to any major capital investments, for example the Ulverston Leisure Complex, if approved.

Councillor Jarvis informed Members that there was currently £6m in the Capital Programme for Housing Investment Fund Loans to Housing Associations. He explained that consideration had to be given not only to the capital of this Council but also to the capacity of housing associations to deliver new homes. The Council would be prepared to consider increasing funding in the right circumstances.

Councillor Giles Archibald, Leader and Promoting South Lakeland Portfolio Holder, clarified that the Council was on track and likely to exceed its target for affordable homes.

RESOLVED – That the proposals contained in the report to achieve a balanced budget in 2019/20 be noted.

O&S/48

TREASURY MANAGEMENT AND CAPITAL STRATEGIES 2019/20 - 2023/24

Councillor Andrew Jarvis, Finance Portfolio Holder, presented a report setting out the Council's Treasury Management Strategy and Capital Strategy for 2019/20 – 2023/24. The Strategies had been updated to reflect the 2019/20 Budget and Capital Programme.

The framework fulfilled five key legislative requirements relating to the setting of prudential indicators, the Council's Minimum Revenue Provision (MRP) Policy, the Treasury Management Strategy Statement the Investment Strategy and the Capital Strategy, details of which were provided.

The report reflected the budget proposals which had been approved for consultation by Council on 18 December 2018.

The Treasury Management Strategy was based on the proposed Capital Programme for 2018/19 – 2023/24 as considered by Council on 18 December 2018.

The Capital Strategy included potential capital expenditure not currently in the proposed Programme and arising from the review of Council Assets. The resulting indicators in the Capital Strategy were, therefore, higher as it included potential expenditure and borrowing which might not arise, depending on future decisions around service delivery. The Capital Strategy would assist in ensuring that the Council had funds available in the future to meet future opportunities which might arise. It also considered organisational issues, including how the Capital Programme would be prioritised and considerations, including capacity to deliver. Councillor Jarvis drew attention to an error within Section 5 of the Capital Strategy under paragraph 5.2 where the figure earned by the Council in relation to its 23 investment properties should read £0.464m and not £0.325m.

The Strategies ensured that the Council had robust arrangements for investing and that it only borrowed where it was appropriate and affordable.

Members thanked Councillor Jarvis and officers for an informative report. Councillor Jarvis responded to a query explaining that decisions on all capital investments, including those which were commercial in nature, were reported and made through Cabinet and Council. The Assistant Director Resources (Section 151 Officer) confirmed that all such decisions were made through the budget process and that any proposals for large borrowing would come forward with a business case.

RESOLVED – That

(1) the Treasury Management and Capital Strategies and the authorised borrowing limits within the report be noted; and

(2) Cabinet be recommended to endorse both strategies for recommendation to Council.

O&S/49

UPDATE ON THE BUILDING FINANCIAL RESILIENCE PROJECT

Councillor Philip Dixon, Health and Wellbeing Portfolio Holder, presented a report which highlighted the work carried out to date by the South Lakeland District Council (SLDC)-led Building Financial Resilience (BFR) partnership group following the Council's first Tackling Poverty Workshop which had been held in 2016. That workshop had sought to raise ideas for reducing poverty in South Lakeland through the work of both the Council and partner organisations. At the workshop, three clear areas of work had been identified:-

- understanding the nature and extent of poverty in South Lakeland;
- helping those in immediate need; and
- focussing the work of the Council and partners in the long-term to help to address the root causes of poverty in the area.

A Position Statement had subsequently been created which set out the broad aims for the BFR group in tackling poverty. This Statement had evolved and now stated, *“Ensuring that no-one in South Lakeland is excluded from an acceptable standard of living.”*

An SLDC BFR officer group had developed an initial analysis/mapping exercise of poverty in South Lakeland and had drafted an action plan through meetings with partner agencies to take on their issues, concerns and recommendations. The action plan was attached at Appendix 1 to the report.

The full BFR partner group had now met five times, with a future meeting set for March 2019. Partners had expressed the desire to continue meeting as they valued the creative collaborative networking opportunity where new initiatives and link-ups were taken forward to support people suffering financial hardship.

The report included details of the key actions achieved by the group to date:-

- The creation of five task groups which had met to work on the actions.
- A fuel poverty and money advice scheme (LEAP) had been launched, providing free energy saving household improvements and advice on switching and budgeting to all fuel poor households in South Lakeland.
- South Lakes News was including articles in each issue to give practical advice/signposting to raise awareness of helpful schemes and promote the work of partners.
- The creation of a BFR page on the SLDC website, with useful resources and information.
- SLDC was providing 'Assisted digital support' to assist customers in making and maintaining claims for Universal Credit and referred customers having difficulty with payments to the Citizens Advice Bureau for 'Personal Budgeting Support' courses.
- The SLDC Revenues and Benefits Department managed alternative payments arrangements of housing benefit, or Universal Credit (not rent), to pay direct to landlords in certain circumstances.
- The number of organisations using MARS (Multi Agency Referral System from Gateway) had increased from 60 to 90 (as of September) - Age UK had used the partner meetings to promote this system and was committed to its promotion to more small charities. This would help direct the service user to the right support at the right time.
- General Practitioners could now signpost and refer clients to the third sector via MARS, and the Integrated Care Communities (ICC) had promoted MARS with ICC groups to encourage social prescribing.
- SLDC was working with My Cumbria Card to increase the local discounts available and to promote these more widely.
- The Environment agency had completed various actions to increase uptake of the flood warning service to help prevent future loss and hardship through flooding.

Looking forward over the next six months, the BFR group was to launch three media/promotional campaigns aimed at building financial resilience. These would be:-

- LEAP (fuel poverty support) scheme;
- My Cumbria Card; and
- skills and education opportunities

The group had also linked in with the Morecambe Bay Poverty Truth Commission which was carrying out some innovative work in Lancaster and Morecambe with people affected by poverty. The BFR group was monitoring the work closely with a view to a future collaboration.

In presenting the report, Councillor Dixon advised Members that, following the meeting of Council on 18 December 2018 at which his motion of notice in relation to the issue of poverty had been debated and carried, the Chairman of the Council had written to the Local Government Minister regarding the provision of additional funding to local authorities to help those most disadvantaged. He commended the partnership work being carried out by the BFR group and expressed thanks to the Principal Partnerships and Communities Officer and other officers in the team for their involvement, to the Council for its support and to the Leader of the Council for his personal commitment to addressing the issue of poverty in South Lakeland. Councillor Dixon stressed the fact that, although not a statutory duty, the Council took seriously the issue of poverty.

Councillor Dyan Jones, Environment Portfolio Holder and former Chairman of the Overview and Scrutiny Committee, had chaired the initial workshop on poverty, and expressed her satisfaction in seeing the outcomes being initiated. She also thanked all involved.

Members of the Overview and Scrutiny Committee echoed their thanks.

RESOLVED – That

- (1) the progress achieved by the Building Financial Resilience Group be noted; and
- (2) the information be used to inform and educate colleagues and members of the public to enable them to take positive steps to build financial resilience.

O&S/50

CUMBRIA HEALTH SCRUTINY COMMITTEE UPDATE

Councillor Vivienne Rees, the Council's representative on the Cumbria Health Scrutiny Committee, referred to her written report considered at the last meeting of the Committee on 26 October 2018, and informed Members that the situation remained the same.

The meeting ended at 4.00 p.m.